

COUNTY OF LOS ANGELES

MARVIN J. SOUTHARD, D.S.W.
Director

DAVID MEYER
Chief Deputy Director

RODERICK SHANER, M.D.
Medical Director



BOARD OF SUPERVISORS
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DEPARTMENT OF MENTAL HEALTH

<http://dmh.co.la.ca.us>

550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

Reply To: (213) 738-4601
Fax: (213) 386-1297

October 31, 2002

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**AUTHORIZATION TO IMPLEMENT TRANSITIONAL HOUSING PROGRAM
WITH HOMES FOR LIFE FOUNDATION
AND
APPROVAL OF REQUEST FOR
APPROPRIATION ADJUSTMENT FOR FISCAL YEAR 2002-2003
(ALL SUPERVISORIAL DISTRICTS)
(4 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the implementation of a Transitional Housing Program (THP) with the Homes For Life Foundation (HFLF), with attendant, leases and agreements, is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) under Class 1, Section 15062 (b) (3) of the State CEQA Guidelines.
2. Authorize the implementation of a THP with HFLF for a three-year term, for a total cost of \$1,820,000, effective upon Board approval. This joint project involves the Los Angeles County Departments of Mental Health (DMH) and Children and Family Services (DCFS), as is more fully set forth herein.
3. Authorize the receipt of \$750,000 for a three-year term of Supportive Housing Program (SHP) Grant funds from the Los Angeles Homeless Services Authority (LAHSA).

4. Approve and instruct the Director of Mental Health to prepare, sign, and execute an Amendment (substantially similar to Attachment I) to the DMH Legal Entity Agreement with HFLF to implement the THP; and instruct the Chief Administrative Officer to prepare, sign, and execute one or more Leasing Agreements for a total of \$300,000 (substantially similar to Attachment II) with HFLF or a separate corporation which holds title to the property, and allow DMH to pay tenant rents from the SHP grant funds to HFLF as part of the overall THP.
5. Delegate authority to the Director of Mental Health to prepare, sign and execute future amendments to the DMH Legal Entity Agreement and delegate authority to the Chief Administrative Officer to prepare, sign and execute future amendments to the Leasing Agreement(s), provided that each facility remains one that serves no residents under age 18, and further that: 1) the County's total payments to contractor under this Agreement for each fiscal year shall not exceed a change of twenty percent from the applicable revised Maximum Contract Amount; 2) any such increase shall be used to provide additional services or to reflect program and/or policy changes; 3) the Board of Supervisors has appropriated sufficient funds for all changes; 4) approval of County Counsel and the Chief Administrative Officer or his designee is obtained prior to any such Amendment; and 5) the Director of Mental Health shall notify the Board of Supervisors of Agreement changes in writing within 30 days after execution of each Amendment.
6. Approve the DMH request for four (4) full-time equivalent (FTE) positions [three Community Worker positions and one Intermediate Typist Clerk (ITC)] at an initial annual cost of \$84,647 for Fiscal Year (FY) 2002-2003 to assist in the staffing of the THP.
7. Approve the Request for Appropriation Adjustment for \$524,000 for FY 2002-2003 (Attachment III).
8. Authorize DMH and DCFS to certify the THP home in the City of San Gabriel, pursuant to Health and Safety Code Section 1559.110 (e), once the appropriate local fire clearance has been obtained and a criminal background check of transitional housing provider and staff has been performed to the satisfaction of the Departments, as provided for in the subject statute. Once the certification standards to be generated by the State under Health and Safety Code Section 1559.110 (e) are finalized, DMH and DCFS will implement them in the homes that are subject to the authorizations of this Board Letter, to the extent applicable.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The purpose of the recommended actions is to now commence the THP, which was initiated by the Board of Commissioners and your Board of Supervisors through their collective adoption of a Board Letter, on April 17, 2001 (See Attachment IV). The THP will serve mentally disabled young adults ages 18 to 21, who have emancipated from DCFS. Through a variety of support services and housing, the THP will assist this population to succeed in independent living. This project is a joint effort by DMH and DCFS. Their respective Directors subscribe to and support the specific implementation of the program as set forth in this Board Letter. Further, the Los Angeles Community Development Commission (CDC) and its respective Director have participated in this project since its inception, and subscribe to and support the actions recommended in this Board Letter.

The Los Angeles foster care system serves over 50,000 youth who come from all parts of Los Angeles County. Each year 1,000 – 1,500 youth emancipate from the County foster care system and face enormous challenges among which housing is a critical need. Emancipated foster youth have been a top priority for DCFS for several years, and they have been a pioneer in developing programs that provide housing and supportive services for emancipated foster youth to enable them to transition into independent living.

DCFS has developed various housing and supportive service programs designed to prepare these young adults for living on their own, and currently operates a network of transitional housing programs that serves 250 young adults. However, the DCFS transitional housing programs are not designed to serve young adults with mental illness. To fill this critical service gap, DCFS and DMH have joined forces to develop Transitional Housing. It should be noted that youth from other departments who meet the criteria will be eligible for the THP.

DMH will contract with HFLF to operate the THP. HFLF has 15 years of experience in developing service enriched housing for persons with mental disabilities. The program will provide transitional housing and training in independent living skills to young adults with mental disabilities. It will serve eighteen persons (six persons each at three separate locations in the cities of Alhambra and San Gabriel). The THP will use one site in the city of San Gabriel, and two sites in the city of Alhambra. The goal of the program is to assist youth in obtaining and remaining in permanent housing, increase skills and income level and achieve greater self-determination.

Implementation of Strategic Plan Goals The recommended Board actions are consistent with the County's fifth goal— "Children And Families' Well-Being", Strategy 1: "Coordinate, collaborate, and integrate services for children and families across functional and jurisdictional boundaries."; and also Strategy 2: "Measure progress towards improving the five outcomes for children and families." The THP has a direct focus on improving the lives of young adults who are emancipated foster youth with mental disabilities, and providing them with housing and support services.

FISCAL IMPACT/FINANCING

The THP will not increase net County cost. During FY 2002-2003 the project will require funding and an appropriation adjustment of \$524,000 from the following sources:

- LAHSA (SHP Grant funds), \$153,000
- DCFS, \$162,000
- Federal Financial Participation, Medi-Cal, \$85,000
- State, EPSDT, \$76,000
- Sales Tax Revenues (one-time only) \$48,000

The above amounts were not included in DMH's FY 2002-2003 Adopted Budget due to the continuing development of the project during the budget process. The appropriation for the program for FY 2002-2003 (pro-rated) is as follows: Salaries \$92,000, Services & Supplies (S&S) leasing \$61,000, and S&S Contract with HFLF \$371,000 for a total appropriation of \$524,000.

Beginning in the subsequent fiscal year DMH will request the total annual THP cost of \$856,000, \$876,000, \$314,000 for FYs 2003-2004, 2004-2005, 2005-2006, respectively that will cover the full 36 months of this project.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

January 26, 1999, LAHSA notified DMH that it had been selected to receive a 1998 SHP grant through the U.S. Department of Housing and Urban Development (HUD) to fund the THP for young adults. Your Board of Supervisors and the Board of Commissioners later adopted a Board Letter dated, April 17, 2001 where one of the joint recommendations was to approve an Agreement between LAHSA and DMH to then fund the THP in the amount of \$750,000.

In May, 2000, HFLF, a special needs housing developer, was identified by CDC to acquire and rehabilitate properties in San Gabriel Valley for the creation of 18 new beds of transitional housing for homeless mentally disabled young adults. With respect to the THP home in San Gabriel, pending further review by the State and the development of State Regulations under Health and Safety Code Section 1559.110 (e), DMH, DCFS, and CDC recommend the certification of this home, once the conditions set forth in the statute are met, namely, fire clearance and criminal background checks. Appropriate fire clearance and criminal background checks will be performed in the other two homes, though formal certification is not necessary.

DMH will serve as the lead agency for the project, administer funding for the project and enter into a contractual agreement with HFLF to provide the THP. DMH will provide three Community Workers/ peer counselors and an ITC to assist with the program. The Community Workers will assist with psychosocial supports and social/recreational activities. The ITC will provide clerical support for the program.

DMH will designate a Project Manager to provide liaison services between Departments, participate as a member of the interagency screening panel, coordinate delivery of housing and mental health services, ensure that Program participants are able to access medication support through its directly operated or contracted outpatient clinics and monitor the program.

DCFS will provide \$260,000 annually to DMH to fund the project's operating and supportive services expenses. "DCFS will designate a Program Manager (Children Social Worker III) that will provide in-kind services amounting to \$25,377 annually. These part-time services will include: outreach, client screening and assessment, appropriate referrals, participation on the interagency screening/intake panel, and provision of independent living skills training."

HFLF will enter into a contract with DMH to provide Transitional Housing, mental health and supportive services at the three separate locations in SPA 3, services will include: assessment; case planning; mental health services; case management and crisis intervention. Participants will receive assistance in locating permanent housing and referrals for other community resources.

The proposed actions have been reviewed and approved by County Counsel, the Chief Administrative Office, both DMH and DCFS's respective Directors, Fiscal and Program Staff, as well as DMH's Human Resources Bureau. The attached formats have been approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION

The CAO has made an initial study of environmental factors and has concluded that this project is exempt from CEQA as specified in Class 1, Section r, of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987 and Section 1506 (b) (3) of the State CEQA Guidelines.

CONTRACTING PROCESS

On February 6, 2001, DMH notified your Board of its intent to enter into a Sole Source contract with HFLF. HFLF is a uniquely qualified agency that has all the necessary components needed to provide housing and support services to this at-risk population of young emancipated foster youth who might otherwise remain or become homeless. As this vendor was uniquely qualified to provide specialty services for an explicit population, this was not posted on the Office of Small Business' website.

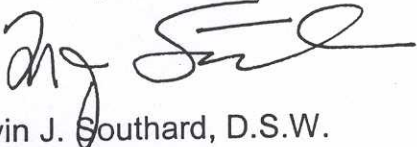
IMPACT ON CURRENT SERVICES

The requested actions will allow for the THP, located in SPA 3, to facilitate a housing and service program for young adults with mental disabilities who have emancipated from foster care. This project targets filling a critical gap in the continuum of care and services for an underserved population of youth who are at a substantial risk of remaining or becoming homeless, and afford them opportunities to reach milestones such as economic self-sufficiency, the ability to obtain housing, and a greater self-determination in their ability to function.

CONCLUSION

The Department of Mental Health will need one (1) copy of the adopted Board's action. It is requested that the Executive Officer, Board of Supervisors notify the Department of Mental Health's Contract Development and Administration Division at (213) 738-4684, when these documents are available.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Marvin J. Southard', written over a horizontal line.

Marvin J. Southard, D.S.W.
Director of Mental Health

MJS:RK:RL

Attachments (4)

- c: Chief Administrative Officer
- County Counsel
- Executive Office, Board of Supervisors
- Auditor-Controller
- Department of Human Resources
- Department of Children and Family Services
- Housing Authority of the County of Los Angeles
- Chairperson, Mental Health Commission

CONTRACT NO. _____

AMENDMENT NO. _____

THIS AMENDMENT and OPERATIONS AND SPACE USE AGREEMENT is made and entered into this _____ day of _____, 2002, by and between the COUNTY OF LOS ANGELES (hereafter "County") and **Homes For Life Foundation** (hereafter "Contractor").

WHEREAS, County and Contractor have entered into a written Agreement, dated _____, identified as County Agreement No. _____, and any subsequent amendments (hereafter collectively "Agreement"); and

WHEREAS, for Fiscal Years (FY) **2002-2003 and any subsequent FYs** County and Contractor intend to amend Agreement only as described hereunder; and

WHEREAS, it is the purpose of this Amendment and its related documents to specifically implement a Transitional Housing Program (THP) for a three-year term, effective upon approval by the Board of Supervisors, in accordance with this Amendment and all contract documents, and in accordance with the Board Letter, dated October 31, 2002, effective upon adoption by the Board of Supervisors; and

WHEREAS, County and Contractor intend to amend Agreement to add Realignment funds in the amounts of \$_____ for FY **2002-2003**, \$_____ for FY **2003-2004**, \$_____ for FY **2004-2005**, and \$_____ for FY **2005-2006**, to its respective Maximum Contract Amounts for the provision of support services; and

WHEREAS, County and Contractor intend to amend Agreement to add Supportive Housing Program Grant funds in the amounts of \$_____ for FY **2002-2003**, \$_____ for FY **2003-2004**, \$_____ for FY **2004-2005**,

and \$ _____ for FY **2005-2006**, to its respective Maximum Contract Amounts for leasing, support services, and administration costs; and

WHEREAS, County and Contractor intend to amend Agreement to add Independent Living Program (ILP) Funds from the Department of Children and Family Services (DCFS) in the amounts of \$ _____ for FY **2002-2003**, \$ _____ for FY **2003-2004**, \$ _____ for FY **2004-2005**, and \$ _____ for FY **2005-2006**, to its respective Maximum Contract Amounts for the provision of operating budget and support services; and

WHEREAS, County and Contractor intend to amend Agreement to add Early and Periodic Screening, Diagnosis and Treatment (EPSDT) funds in the amounts of \$ _____ for FY **2002-2003**, \$ _____ for FY **2003-2004**, \$ _____ for FY **2004-2005**, and \$ _____ for FY **2005-2006**, to its respective Maximum Contract Amounts for the provision of mental health services; and

WHEREAS, County and Contractor intend to amend this Agreement to add the following service sites: _____
_____: and

WHEREAS, County and Contractor intend to amend this Agreement to add a service exhibit, entitled, Client Supportive Services (Modified for a Transitional Housing Program/THP); and

WHEREAS, effective _____, County and Contractor intend to amend Agreement to add Provider Number(s) _____ located at _____
_____; and

WHEREAS, for FYs **2002-2003 and any subsequent FYs**, County and Contractor intend to amend Agreement to add Mode(s) _____, Service Function Code(s) _____ to Provider Number(s) _____; and

WHEREAS, County and Contractor intend to amend this Agreement to extend the term of the Agreement through and including **June 30, 2006**; and

WHEREAS, County and Contractor intend to amend Agreement to add California Department of Social Services (CDSS) regulations as listed in Attachment I, which is incorporated herein as though fully set forth; and

WHEREAS, County and Contractor have an understanding that with respect to certification under Health & Safety Code Section 1559.110(e), the State of California may adopt regulations under said section during the life of this Agreement. The parties agree to meet in good faith to amend this Agreement to incorporate herein any applicable regulatory changes which are required by law to be incorporated during the life of this Agreement; and

WHEREAS, County and Contractor agree that there will be a fire clearance and background check pursuant to Health and Safety Code Section 1559.110(e), and that no staff can perform any services under this Agreement without the appropriate clearances; and

WHEREAS, County and Contractor have an understanding and agree that, with respect to the Supportive Housing Program (SHP) Grant funds received by County through the Los Angeles Homeless Services Authority (LAHSA), Housing reimbursement to County maybe reduced by LAHSA to the extent that vacancies exist in this Program; as is more fully provided below; and

WHEREAS, County and Contractor have separately agreed to lease conditions regarding the facilities which are to be utilized in this Program, which is a requirement for the receipt of SHP funds for this project provided through a U.S. Department of Housing and Urban Development (HUD) Grant administered by LAHSA to DMH; and

WHEREAS, in order to effectuate the purposes of this THP, County will provide Contractor the right and ability to use the leased premises for the conduct of the Program, as is more fully set forth in the Space Use Addendum to this Amendment (See Attachment II).

NOW, THEREFORE, County and Contractor agree that Agreement shall be amended only as follows:

1. Paragraph 4 (FINANCIAL PROVISIONS), Subparagraph B (Reimbursement For Initial Period) and Subparagraph C (Reimbursement If Agreement Is Automatically Renewed) shall be deleted in their entirety and the following substituted therefor:

“B. Reimbursement For Initial Period: The Maximum Contract Amount for the Initial Period of this Agreement as described in Paragraph 1 (TERM) shall not exceed _____ DOLLARS (\$_____) and shall consist of County, State, and/or Federal (excluding Medicare Partial Hospitalization services) funds as shown in the applicable Financial Exhibit column(s) which are identified on the Financial Summary. This Maximum Contract Amount includes Cash Flow Advance which is repayable through cash and/or appropriate SFC units and/or actual and allowable costs as authorized by other provisions of this Agreement. Notwithstanding any other provision of this Agreement, in no event shall County pay Contractor more than this Maximum Contract Amount for Contractor's performance hereunder during the Initial Period.

C. Reimbursement If Agreement Is Automatically Renewed:

(1) Reimbursement For First Automatic Renewal Period: The Maximum Contract Amount for the First Automatic Renewal Period of this Agreement as described in Paragraph 1 (TERM) shall not exceed _____

_____ DOLLARS (\$____)

and shall consist of County, State, and/or Federal (excluding Medicare Partial Hospitalization services) funds as shown in the applicable Financial Exhibit column(s) which are identified on the Financial Summary. This Maximum Contract Amount includes the Cash Flow Advance which is repayable through cash and/or appropriate SFC units and/or actual and allowable costs as authorized by other provisions of this Agreement. Notwithstanding any other provision of this Agreement, in no event shall County pay Contractor more than this Maximum Contract Amount for Contractor's performance hereunder during the First Automatic Renewal Period.

(2) Reimbursement For Second Automatic Renewal Period: The Maximum Contract Amount for the Second Automatic Renewal Period of this Agreement as described in Paragraph 1 (TERM) shall not exceed __

_____ DOLLARS (\$

____) and shall consist of County, State, and/or Federal (excluding Medicare Partial Hospitalization services) funds as shown in the applicable Financial Exhibit column(s) which are identified on the Financial Summary. This Maximum Contract Amount includes the Cash Flow Advance which is repayable through cash and/or appropriate SFC units and/or actual and allowable costs as authorized by other provisions of this Agreement. Notwithstanding any other provision of this Agreement, in no event shall County pay Contractor more than this

Maximum Contract Amount for Contractor's performance hereunder during the Second Automatic Renewal Period.

(3) Reimbursement For Third Automatic Renewal Period: The Maximum Contract Amount for the Third Automatic Renewal Period of this Agreement as described in Paragraph 1 (TERM) shall not exceed _____

_____ DOLLARS (\$ _____) and shall consist of County, State, and/or Federal (excluding Medicare Partial Hospitalization services) funds as shown in the applicable Financial Exhibit column(s) which are identified on the Financial Summary. This Maximum Contract Amount includes the Cash Flow Advance which is repayable through cash and/or appropriate SFC units and/or actual and allowable costs as authorized by other provisions of this Agreement. Notwithstanding any other provision of this Agreement, in no event shall County pay Contractor more than this Maximum Contract Amount for Contractor's performance hereunder during the Third Automatic Renewal Period."

2. Financial Summary _ for FY 2002-2003 shall be deleted in its entirety and replaced with Financial Summary _____ for FY 2002-2003 attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary _ for FY 2002-2003 shall be deemed amended to state "Financial Summary _____ for FY 2002-2003."
3. Financial Summary _ for FY 2003-2004 shall be deleted in its entirety and replaced with Financial Summary _____ for FY 2003-2004 attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary _ for FY 2003-2004 shall be deemed amended to state "Financial Summary _____ for Fiscal Year FY."

4. Financial Summary _ for FY 2004-2005 shall be attached hereto and incorporated herein by reference.
5. Financial Summary _ for FY 2005-2006 shall be attached hereto and incorporated herein by reference.
6. Service Delivery Site Exhibit _____ shall be deleted in its entirety and replaced with Service Delivery Site Exhibit _, attached hereto and incorporated herein by reference.
7. Paragraph 1 (TERM), Subparagraph B (Automatic Renewal Period(s)) shall be deleted in its entirety and the following substituted therefor:

“B. Automatic Renewal Period(s): After the Initial Period, this Agreement shall be automatically renewed three additional periods without further action by the parties hereto unless either party desires to terminate this Agreement at the end of either the Initial Period or First Automatic Renewal Period and gives written notice to the other party not less than thirty days prior to the end of the Initial Period or at the end of the First Automatic Renewal Period, as applicable.

(1) First Automatic Renewal Period: If this Agreement is automatically renewed, the First Automatic Renewal Period shall commence on _____ and shall continue in full force and effect through _____.

(2) Second Automatic Renewal Period: If this Agreement is automatically renewed, the Second Automatic Renewal Period shall commence on _____ and shall continue in full force and effect through _____.

(3) Third Automatic Renewal Period: If this Agreement is automatically renewed, the Third Automatic Renewal Period shall commence on _____ and shall continue in full force and effect through _____.”

8. Service Exhibit _____ [Client Supportive Services (Modified for a Transitional Housing Program/THP)] attached hereto and incorporated herein by reference shall be added to the Agreement (See Attachment III).
9. Mode(s) _____ and Service Function Code(s) _____ for _____ Services will be added to the Agreement.
10. Contractor understands and agrees that part of the funding for this Agreement is through ILP grant funds administered by DCFS, and that, as a condition of such funds, the parties must agree to the regulations set forth in Attachment I to this Amendment, which are the applicable CDSS Regulations for the use of ILP funds. This Attachment is incorporated herein as though fully set forth. Contractor agrees that the provisions thereof apply to the extent they have not been otherwise covered in this Agreement.
11. Contractor shall provide services in accordance with the Contractor's Fiscal Year _____ Negotiation Package for this Agreement and any addenda thereto approved in writing by Director.
12. The parties understand and agree that County may not be reimbursed by LASHA to the extent that vacancies exist in this Program. The parties intend to implement the separate lease provisions required by LAHSA under the terms of the SHP funds, by having County make lease payments in advance, on or about the first of the month. In the event of a vacancy, the County will make rent payments to the Contractor for a period of 30 days from the date of receipt by Contractor of written notice of termination of a resident's participation in the Program, abandonment of the unit or eviction of resident. Thereafter, County shall pay rent to the Contractor for one month during which time Contractor and County shall use its best effort to identify a new Program resident. In the event

that the unit remains unoccupied after this grace period, the County will not pay rent for this unit until the unit is occupied by a Program participant.

13. Except as provided in this Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by County's Director of Mental Health and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month and year first above written.

COUNTY OF LOS ANGELES

By _____
MARVIN J. SOUTHARD, D.S.W.
Director of Mental Health

CONTRACTOR

By _____

Name _____

Title _____

(AFFIX CORPORATE SEAL
HERE)

APPROVED AS TO FORM
BY THE OFFICE OF THE COUNTY COUNSEL

LLOYD W. PELLMAN
County Counsel

APPROVED AS TO CONTRACT
ADMINISTRATION:

DEPARTMENT OF MENTAL HEALTH

By _____
Chief, Contracts Development
and Administration Division

RBLs H: AmendHFLF_No1_draft5.doc

23-604 CONTRACT PROVISIONS

23-604

This section contains provisions that shall be included in county contracts for services whether procured through formal advertising or negotiation. The requirements shall also apply to subcontracts of any tier under such contracts.

- .1 All contracts shall be written and contain all of the terms and conditions agreed to by the parties and shall constitute the complete agreement between them.

23-604 CONTRACT PROVISIONS (Continued)

23-604

- .2 When available, counties shall utilize CDSS standard contracts and standardized language. Any deviation from a departmental standard contract must have prior CDSS approval. However, a county shall be permitted to add its own contracting requirements to any state standard contract without prior state approval, as long as the addition does not conflict with the standard contract, standardized language, or the other requirements of these regulations.
- .21 All counties shall be notified in writing when the state requires standard contracts or standardized language. A county seeking deviations from the standards shall make their request in writing, explaining the reasons for the deviations. A county shall seek state approval of such deviations at least 90 days prior to the start of any contracts with the deviation. CDSS shall review the request for deviation in terms of compliance with applicable state and federal laws and regulations, and forward a written response to the county. CDSS will notify the county within fifteen (15) calendar days of receipt, if the required information is complete, or deficient, and within forty-five (45) calendar days upon receipt of complete information of its decision on the deviation.
- .22 The state has no current standards contracts, and records on review times of past standard contracts variations are no longer available.
- .3 Specific components of each contract shall include;
 - .31 Provisions stating the parties to the contract, the purpose of contract, the date of execution and applicable laws and regulations.
 - .32 Definitions of terms unique to the contract or contracted service.
 - .33 Duties and responsibilities of the county, the provider, and any joint duties and responsibilities.
 - .34 A provision requiring that the contract be signed by authorized representatives of all contracting parties.

23-604 CONTRACT PROVISIONS (Continued)

23-604

- .35 A provision setting forth definite effective and termination dates.
- .36 A budget sheet segregated into direct and indirect costs and profit for the contract. Budgeted expenses shall be reduced by applicable contractor revenues which shall be identified. The line items shall provide sufficient detail to determine the quality and quantity of services to be delivered. The budget shall be made a part of the contract.
- .37 Fiscal provisions which shall include:
 - .371 A provision requiring the contractor to maintain books, records, documents and other evidence pertaining to costs and expenses of the contract.
 - .372 Provisions specifying the method, time, and rates of payment for services, including the abatement of disposition of fees and identification and treatment of other income for costs related to the contract.
 - .373 A provision that the contractors' records shall be open for audit and review by county, state and federal agencies, including CDSS. Such records shall be kept in the State of California for the retention period specified in the contract in accordance with state records retention regulations, Section 23-353.
 - .374 A provision specifying use of the firm-fixed price method of reimbursement. However, agreements for any service to be rendered by any federal, state or local government agency, public university, public college or other public educational institution, shall use the actual cost method of reimbursement, but shall include an estimate of the total amount which shall be adjusted by amendment to reflect actual expenditures.
 - .375 When federal funds are involved, a provision requiring provider compliance with all federal rules including the applicable sections of the Code of Federal Regulations.

23-604 CONTRACT PROVISIONS (Continued)

23-604

- .38 The following general provisions shall be included in the contract, in addition to those set forth above:
- (a) A provision for appropriate remedies, such as fiscal penalties or withholding of payment, in instances where the contractor violates or breaches contract terms.
 - (b) A provision for monitoring the contractor's performance to assure compliance with the terms, conditions and specifications of the contract.
 - (c) A requirement to comply with the confidentiality provisions of Section 10850 of the Welfare and Institutions Code and MPP Division 19 if the contractor will be working with records covered by those sections.
 - (d) A clause prohibiting discrimination by the contractor in either employment practices or delivery of services, in accordance with applicable state and federal regulations.
 - (e) A clause recognizing the mandatory standards and policies relating to energy efficiency in the state energy conservation plan, (Title 24, California Administrative Code).
 - (f) A clause, in contracts in excess of \$100,000, requiring compliance with Section 306 of the Clean Air Act (42 USC 1857 (h)), Section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738 and Environmental Protection Agency regulations (40 CFR Part 15).
 - (g) A clause, in contracts in excess of \$10,000, requiring compliance with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 and as supplemented in Department of Labor regulations (41 CFR Part 60).
 - (h) A clause for unilateral termination by the county that includes the methods by which termination will be effected, the basis for settlement, and a description of the conditions under which the contract may be terminated because of circumstances beyond the control of the contractor.
 - (i) A provision for amendments or modifications.

MANAGEMENT AND OFFICE PROCEDURES
PURCHASE OF SERVICE

Regulations

23-604 (Cont.)

23-604 CONTRACT PROVISIONS (Continued)

23-604

- (j) A provision stating the circumstances, if any, when assignment or subcontracting may be used.
- (k) A provision requiring the contractor to establish a procedure to resolve client grievances.
- (l) Clause(s) providing for bonding, insurance and indemnification, in accordance with the county's established standards.

4 When amendments appear necessary, the county shall observe the following criteria:

- .41 If a formally advertised contract is amended to increase services within its original term and the amendment will result in a cost increase in excess of ten percent of the contract maximum, the contract shall be rebid, or the price renegotiated to ensure an accurate reflection of fixed and variable costs. However, if renegotiated, the new unit price shall not exceed the unit price as originally determined through competitive selection.
- .42 Any amendment negotiated without competitive bidding shall be negotiated on the basis of amounts reasonable and necessary as documented in writing and maintained in the county records.
- .43 Repealed by CDSS Manual Letter No. OPS-01-02, effective 4/17/01.

NOTE: Authority cited: Sections 10553 and 10554, Welfare and Institutions Code. Reference: Sections 12302.1, Welfare and Institutions Code.

SPACE USE AGREEMENT

THIS SPACE USE AGREEMENT, made and entered into this ____ day of _____, 2002,

BY AND BETWEEN

COUNTY OF LOS ANGELES, a body corporate and politic, hereinafter referred to as "County,"

AND

Homes For Life Foundation, a non-profit entity, hereinafter referred to as HFL or licensee,

WITNESSETH:

WHEREAS, County is the Lessee of certain real property which is not required exclusively for County use; and

WHEREAS, Licensee HFL is desirous of using said real property;

WHEREAS, County grants to Licensee, the exclusive right to use the following described premises.

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions set forth herein, the parties hereto and each of them do agree as follows:

1. PREMISES:

1.01 County hereby grants a license (License) to Licensee and Licensee hereby agrees to the terms and conditions hereinafter set forth, for the sole purpose of [event].

1.02 The licensed Premises shall be used only by Licensee, its officers, employees, contractors, agents, and guests for the purpose of [event] as provided herein, and for such related and incidental purposes or activities as are related thereto.

1.03 Any alterations or improvements to the Premises made by Licensee are to be made at Licensee's expense.

1.04 All personal property, alterations, additions or betterments to the Premises furnished shall remain the property of Licensee upon the termination of the License.

1.05 Licensee acknowledges personal inspection of the Premises and the surrounding area and evaluation of the extent to which the physical condition thereof will affect the License. Licensee accepts the Premises in its present physical condition and agrees to make no demands upon County for any improvements or alteration thereof.

1.06 Licensee hereby acknowledges the lease of the Premises by County.

2. TERM:

2.01 The term of the License shall be from the latter of December 1, 2001 or certification of occupancy by the Department of Mental Health ("DMH") and terminating on [Date]

3. **CANCELLATION:**

3.01 Either party shall have the right to cancel this Space and Use Agreement upon giving no less than 90-days advance written notice.

4. **PAYMENT:**

4.01 Consideration for this Space Use Agreement is \$10.00.

5. **OPERATING RESPONSIBILITIES:**

5.01 Compliance with Law. Licensee shall conform to and abide by all Municipal and County ordinances and all State and Federal laws and regulations insofar as the same or any of them are applicable; and where permits and/or licenses are required, the same must be first obtained from the regulatory agency having jurisdiction thereover.

5.02 Omitted.

5.03 Sanitation. No offensive matter or refuse or substance constituting an unnecessary, unreasonable, or unlawful fire hazard, or material detrimental to the public health, shall be permitted to be brought onto, stored, or remain on the licensed Premises, and Licensee shall prevent any accumulation thereof from occurring. Licensee shall pay all charges which may be made for the removal thereof.

5.04 Security Devices. Licensee shall be solely responsible for providing security for all of its activities on the Premises authorized by this License.

5.05 Maintenance. Licensee shall be responsible for maintaining the Premises in a clean and sanitary condition.

5.06 Utilities. Licensee shall be responsible for all utilities necessary for the operation of the Premises. Licensee waives any and all claims against County for compensation for loss or damages caused by a defect, deficiency, or impairment of any utility/security system or electrical/telephone apparatus or wires serving the Premises.

5.07 Examination of Premises. Licensee shall permit authorized representatives of the County to enter the area at any time for the purpose of determining whether the authorized activities are being conducted in compliance with the terms of this License, or for any other purpose incidental to the performance of the duties required by the Los Angeles County Code.

5.08 Operational Responsibilities. Licensee shall ensure that all the terms and conditions specified under this License are met.

6. **HOLD HARMLESS AND INDEMNIFICATION:**

6.01 Licensee agrees to indemnify, defend and save harmless County and its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, expense, including defense costs and legal fees and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury, or property damage arising from or connected with Licensee's, its members, agents and invitees,

operations and use of the Premises and the attraction caused by their operations on the Premises which attracts third parties and members of the general public to the Premises, including any Worker's Compensation suits, liability or expense, arising from or connected with services performed on behalf of Licensee by any person pursuant to or in connection with this License.

7. INSURANCE:

7.01 Without limiting Licensee's indemnification of County, Licensee shall provide and maintain at its own expense during the term of this License the following program(s) of insurance covering Licensee's operation hereunder. Such insurance shall be provided by insurer(s) satisfactory to County's Risk Manager and evidence of such programs satisfactory to County shall be delivered to the CAO's Real Estate Division, on or before the effective date of this License. Such evidence shall specifically identify this License and shall contain express conditions that County is to be given written notice at least 30 days in advance of any material modification or termination of any program of insurance.

a. General Liability: A program including, but not limited to: comprehensive general liability, endorsed for contractual liability, independent contractor, products-completed operations, premises, broad form property damage with a combined single limit of not less than ONE MILLION DOLLARS (\$1,000,000) per occurrence. Such insurance shall be primary to and not contributing with any other insurance maintained by County and shall name the County of Los Angeles as an additional insured.

b. Workers' Compensation. A program of Workers' Compensation insurance in an amount and form to meet all applicable requirements of the Labor Code of the State of California and which specifically covers all persons providing services by or on behalf of Licensee and all risks to such persons under this License.

c. Comprehensive Auto Liability: A program of insurance endorsed for all owned and non-owned vehicles with a combined single limit of at least THREE HUNDRED THOUSAND DOLLARS (\$300,000) per occurrence.

8. TAXES AND ASSESSMENTS:

8.01 The property interest conveyed herein may be subject to real property taxation and/or assessment thereon, and in the event thereof, Licensee shall pay before delinquency all lawful taxes, assessments, fees or charges which at any time may be levied by the Federal, State, County, City, or any other tax or assessment-levying body upon the Premises, any improvements located thereon or any uses made thereof.

9. TRANSFERS:

9.01 Licensee acknowledges that the rights conferred herein are personal to Licensee.

10. DEFAULT:

10.01 Licensee agrees that if default shall be made in any of the covenants and agreements herein contained to be kept by Licensee, County may forthwith revoke and terminate this License.

11. **WAIVER:**

11.01 Any waiver by either party of any breach of any one or more of the covenants, conditions, terms and agreements herein contained shall not be construed to be a waiver of any subsequent or other breach of the same or of any other covenant, condition, term or agreement herein contained, nor shall failure on the part of either party to require exact, full and complete compliance with any of the covenants, conditions, terms or agreements herein contained be construed as in any manner changing the terms of this License or estopping either party from enforcing the full provisions thereof.

11.02 No option, right, power, remedy, or privilege of either party shall be construed as being exhausted by the exercise thereof in one or more instances. The rights, powers, options and remedies given either party by this License shall be cumulative.

12. **SURRENDER:**

12.01 Upon expiration of the term hereof or cancellation thereof as herein provided, Licensee shall peaceably vacate the Premises and shall remove all improvements constructed by Licensee, restore the Premises to its original condition.

13. **ENFORCEMENT:**

13.01 The CAO shall be responsible for the enforcement of this License on behalf of the County and shall be assisted therein by those officers, employees, or committees of County having duties in connection with the administration thereof.

14. **COUNTY LOBBYIST ORDINANCE:**

14.01 Licensee is aware of the requirements of Chapter 2.160 of the Los Angeles County Code with respect to County Lobbyists as such are defined in Section 2.160.010 of said Code, and certifies full compliance therewith. Failure to fully comply shall constitute a material breach upon which County may terminate or suspend this License.

15. **NOTICES:**

15.01 Any notice required to be given under the terms of this License or any law applicable thereto may be placed in a sealed envelope, with postage paid, addressed to the person on whom it is to be served, and deposited in a post office, mailbox, sub post office, substation or mail chute, or other like facility regularly maintained by the United States Postal Service. The address to be used for any notice served by mail upon Licensee shall be:

[Licensee]

Attention: []
Telephone:

or such other place as may hereinafter be designated in writing to the County by Licensee. Any

notice served by mail upon County shall be addressed to:

County of Los Angeles
Chief Administrative Office - Real Estate Division
222 S. Hill Street, 3rd Floor
Los Angeles, CA 90012

Attention: Chuck West
Director of Real Estate
Telephone: (213) 974-4300 /Fax: (213) 217-4968

or such other place as may hereinafter be designated in writing to Licensee by the Chief Administrative Officer. Service by mail shall be deemed complete upon deposit in the above-mentioned manner.

16. **AUTHORITY:**

16.01 The person executing this License on behalf of Licensee hereby personally covenants, guarantees and warrants that he/she has the power and authority to obligate the Licensee to the terms and conditions in this License.

17. **NONDISCRIMINATION:**

17.01 Licensee certifies and agrees that all persons invited on the Premises by Licensee shall be treated equally without regard to or because of race, religion, ancestry, national origin, disability or sex, and in compliance with all Federal and State laws prohibiting discrimination in employment, including but not limited to the Federal Civil Rights Act of 1964 and as amended in 1988; the Unruh Civil Rights Act; the Cartwright Act; and the California Fair Employment and Housing Act.

IN WITNESS WHEREOF, Licensee has executed this License or caused it to be duly executed, and County of Los Angeles, pursuant to Los Angeles County Code Section 2.08.161 has caused this License to be executed on its behalf by the Chief Administrative Officer of said County or his designee on the day, month and year first written above.

LICENSEE:

[Licensee]

By: _____
[Title]

Date:

ATTEST:

VIOLET VARONA-LUKENS
Executive Officer-Clerk
Of the Board of Supervisors

COUNTY OF LOS ANGELES

By: _____
Deputy

By: _____
DAVID E. JANSSEN
Chief Administrative Officer

APPROVED AS TO FORM:

LLOYD W. PELLMAN
County Counsel

By: _____
Deputy

SERVICE EXHIBIT _____

CLIENT SUPPORTIVE SERVICES
(Modified for a Transitional Housing Program/THP)

I. OVERVIEW

The inception in 1991 of Realignment and the Rehabilitation Option in California public mental health services enabled counties to expand mental health services into non-traditional areas and move the locus of service provision from clinics into the community. Counties can now treat clients in a holistic way, taking into consideration all of their needs. In order to support and maintain clients' highest level of functioning, mental health services addressing the areas of housing, personal, vocational, and program/socialization needs must be provided, in addition to more traditional therapeutic services.

The Department of Mental Health (DMH) provides services to many mentally ill disabled individuals in need of assistance with housing, personal, vocational and program/socialization needs in addition to therapeutic interventions. Accordingly, DMH has developed this service exhibit to facilitate making these services available to clients of its agencies and programs, wherever needed.

II. PROGRAM ELEMENTS AND SERVICES

A. Housing Expenses

Key goals of mental health services include assisting clients in achieving stability and living in the least restrictive setting possible. Stable, affordable housing is of critical importance to achieving these goals. Additionally, funding for housing expenses may be utilized to pay for expenses including, but not limited to, maintenance supplies, janitorial maintenance cleaning, furnishings, operating reserves, moving, aftercare housing, costs related to prevention of eviction and other approved housing-related expenses.

B. Personal/Community Integration Expenses

Funding may be provided to assist clients in achieving their treatment goals and in supporting their integration into the community. Items may include, but are not limited to, social and recreational activities, food, transportation, hygiene, personal/ incidental items and other approved personal/community integration expenses.

III. PERSONS TO BE SERVED

DMH contractors serve clients of all ages, races, cultures and conditions who are severely and persistently mentally ill disabled. Persons to be served by this program will be mentally ill disabled emancipated foster youth, ages 18 to 21, who are homeless or at risk of becoming homeless, and have insufficient funds to obtain the materials and resources necessary to achieve their treatment goals

IV. REIMBURSEMENT

The procedures for reimbursement for Client Supportive Services (Modified for a THP) expenditures are provided in Attachment A.

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CLIENT SUPPORTIVE SERVICES
(Modified for a Transitional Housing Program/THP)

REIMBURSEMENT PROCEDURES

The following procedures will be used for reimbursement of Client Supportive Services (Modified for a THP) expenditures:

1. **EXPENDITURES ELIGIBLE FOR REIMBURSEMENT THROUGH CLIENT SUPPORTIVE SERVICES (Modified for a THP):**

A. Housing

Funding for housing expenses may be utilized to pay for housing expenses including, but not limited to, maintenance supplies, moving, janitorial maintenance cleaning, furnishings, operating reserves, aftercare housing, costs related to prevention of eviction and other approved housing-related expenses.

B. Personal/Community Integration

Expenditures to assist clients in achieving their treatment goals and to support their integration into the community may be reimbursed. Personal/community integration items for clients may include, but are not limited to, food, transportation, recreational activities, hygiene and personal/incidental items and other approved personal/community integration items.

Custodial Staff time and services in the above areas (Subsections A and B) are reimbursable for those activities which are not Medi-Cal reimbursable services.

2. **REIMBURSEMENT GUIDELINES:**

The funds allocated for Client Supportive Services (Modified for a THP) shall be used in accordance with the guidelines established for the THP. Accordingly, if a client becomes employed or receives Supplemental Security Income (SSI) while a participant in the THP, a percentage of these funds will be paid into an individual account to assist the client with expenses associated with transitioning from the THP into the community, as allowed by Housing and Urban Development Supportive Housing Program guidelines. The program will assist the client to budget the remaining income in accordance with the THP guidelines.

3. **DOCUMENTATION REQUIREMENTS FOR REIMBURSEMENT:**

The following supportive documentation shall be maintained on file with the Contract Provider in accordance with the Records and Audits paragraph of the Agreement:

- a) Original receipts to support payment invoices (If an original receipt is not obtainable, a copy of the receipt or justification as to why the receipt was not obtained should be retained), identifying individual clients and/or bulk purchases;

- b) Copies of original rental agreements, including the "Return of Security and Rental Deposit Agreement", signed by the client and the property owner or authorized agent, when a client receives or secures an apartment or a house;
- c) Copies of signed checks issued; and
- d) Copies of custodial staff time records identifying time spent on providing eligible housing and personal/community integration services that are not being captured through mental health units of service billings.

Each Contract Provider shall on the last day of each month complete the Client Supportive Services (Modified for a THP) invoice indicating the categories of expenses and the amount spent, including staff salaries expended. All claims are to be submitted by Contractor to DMH within sixty (60) days from the month of the expenditure occurrence.

The Client Supportive Services (Modified for a THP) Expense Claim form(s) (Attachment B) shall be submitted to:

County of Los Angeles - Department of Mental Health
3160 West Sixth Street, 3rd Floor
Los Angeles, CA 90020
ATTN: Homeless and Housing Division Services

4. DMH REVIEW AND APPROVAL OF INVOICES:

The DMH Homeless and Housing Division Program Manager will review monthly invoices and sign to affirm that expenditures meet established Client Supportive Services (Modified for a THP) Procedures. Approved invoices will be forwarded to the DMH Provider Reimbursement Unit for payment.

DMH shall process all completed requests for Client Supportive Services (Modified for a THP) reimbursement on a monthly basis. The judgment of DMH as to the allowability of any expenditure shall be final.

5. MONTHLY RECONCILIATION REPORT:

DMH has allocated the Contract Provider a specified amount of funding for Client Supportive Services (Modified for a THP). Monthly reconciliation reports will be generated by the Accounting Division for each Contract Provider to ensure expenditures have not been exceeded. The County shall not be liable for reimbursement of any expenses claimable hereunder in the event that any contractor exceeds its allocation or violates the terms and conditions of the Client Supportive Services (Modified for a THP) Procedures or the Legal Entity Agreement.

Monthly Claim for Cost Reimbursement *

Fiscal Year 2002 - 2003

SPECIAL HANDLING REQUIRED

SPECIAL HANDLING REQUIRED

Funding Source Name: Homes for Life - Client Supportive Services

Legal Entity Name: _____

Legal Entity Mailing Address: _____

Billing Month(s): _____ Contract Amendment Number: _____

Provider Number(s): _____

1. Operational Expenditures:	Budget	
1.1 Maintenance/Repair	3,709	_____ (1.1)
1.2 Utilities	46,364	_____ (1.2)
1.3 Supplies	76,423	_____ (1.3)
1.4 Insurance	27,200	_____ (1.4)
1.5 Furnishings	32,500	_____ (1.5)
1.6 Food	133,527	_____ (1.6)
Supportive Services Expenses		
1.7 Transportation	33,382	_____ (1.7)
1.8 After Care Housing Assist.	111,272	_____ (1.8)
1.9 Custodial Care	300,000	_____ (1.9)
2. Total Expenditures (add lines 1.1 through 1.9)		_____ (2.)
3. Total Payment Requested		_____ (3.)

Comments: _____

I hereby certify that all information contained above are services and costs eligible under the terms and conditions for reimbursement under the ILP Program and is true and correct to the best of my knowledge. All support documentation will be maintained in a separate file for the period specified under the terms of your contract paragraph 11, section A, sub-section (1), sub-section (1)(a), sub-section (1)(b), sub-section (2), sub-section (3), and sub-section (4).

Signature: _____ Phone: _____

Title: _____ Date: _____

LAC-DMH Program Approval:

Approved By: _____

Date: _____

Title: _____

**COUNTY OF LOS ANGELES
CHIEF ADMINISTRATIVE OFFICE
LEASE AND AGREEMENT**

THIS LEASE AND AGREEMENT, made and entered into in duplicate original this _____ day of _____, 2002 by and between Homes for Life Foundation, hereinafter referred to as the lessor, and the COUNTY OF LOS ANGELES, a body politic and corporate, hereinafter referred to as the lessee,

W I T N E S S E T H:

1. **DESCRIPTION OF PREMISES:** The Lessor, for and in consideration of the performance of the covenants and agreements hereinafter contained to be kept and performed by the Lessee, upon the following terms and conditions, hereby leases to the Lessee, and the Lessee hereby hires and takes of and from the Lessor, those certain premises located at addresses listed below.

26 and 28 S. Almansor Street, Alhambra, in the County of Los Angeles, State of California (2,624 and 1,624 sq. ft. buildings, respectively); and

423 S. Monterey Street, Units A, B and C, Alhambra, in the County of Los Angeles, State of California (3584 sq. ft. building); and

506 E. Farview, Unit A, San Gabriel, in the County of Los Angeles, State of California (3409 sq. ft. building).
2. **TERM:** The term of this lease shall be for a period of thirty-six (36) months beginning upon acceptance and execution by Lessor and Lessee of the "Memorandum of Commencement Date" attached hereto as Exhibit "A", but not prior to December 1, 2002. The Chief Administrative Officer, Chief Administrative Office, or his designee, is hereby authorized to sign on behalf of Lessee.
3. **Rent:** The Lessee hereby agrees to pay rent for said demised Premises during the term pursuant to the attached monthly rental payment schedule attached hereto as Exhibit "B" payable in advance by Auditor's General Warrant. Rental payments shall be payable no later than the first day of each and every month of the term hereof provided Lessor has caused a claim therefor for each such month to be filed with

the Auditor of the County of Los Angeles prior to the first day of each month. The vacancy payment policy set forth in the Amendment and Operations and Space Use Agreement is incorporated herein by reference.

4. **USE:** Lessor agrees that the demised Premises together with all appurtenances thereto belonging or in any wise appertaining, shall be used by the Lessee as transitional housing space for the Department of Mental Health (DMH) during normal working hours, after normal working hours, and on weekends and holidays as Lessee may desire.

Lessor retains the authority and right to manage the day to day operations at the premises which are the subject of this Lease and Agreement including, but not limited to, the authority to enter into and terminate, where necessary, Program Agreements, and all other rights as owner and landlord of the premises with respect to residents and the Homeowners' Association and hire, manage and oversee staff for the premises.
5. **CANCELLATION:** Lessee and Lessor shall each have the right to cancel this Lease at or any time by giving the other party thirty (30) days prior written notice.
6. **TENANT'S
FIXTURES:** Lessor agrees that the Lessee may remove, at its own expense during or at the expiration or other termination of the term of this Lease, or any extension or holdover period thereof, as the case may be, all fixtures, equipment and all other personal property placed or installed in or upon the demised Premises by the Lessee, or under its authority.
7. **REPAIR,
MAINTENANCE
AND
REPLACEMENT:** This is a full-services gross lease. Lessor during the term of The Lease shall maintain and repair the Premises in accordance with its established practices, as such practices may be changed from time to time. Lessor shall have no obligation or responsibility to replace or rebuild the Premises.
8. **UTILITIES:** Lessor agrees to pay when due all charges for the use of the sewer, effluent treatment, when and if imposed by any Governmental authority, all water, sprinkler standby charges, and other and all other utility charges accruing or payable in connection with the demised Premises during the term of

this Lease or any renewal, extension, or holdover thereof, whether the same are pro-rated or measured by separate meters.

9. **DEFAULT:**

A. Default by Lessee

Lessee agrees that if default shall be made in the payment of rent in the manner herein provided or in any of the covenants or agreements herein contained on the part of the Lessee to be kept and performed which constitute a material breach of the Lease, it shall be lawful for the Lessor to declare said term ended and to terminate this Lease upon the giving of thirty (30) days written notice. In addition thereto, Lessor shall have such other rights or remedies as may be provided by law. Lessor may not terminate the Lease if (1) Lessee cures the default within the thirty (30) day period after the notice is given, or (2) the default cannot reasonably be cured within the thirty (30) days after notice is given, but Lessee reasonably commences to cure the default within the thirty (30) days period and diligently and in good faith continues to cure the default.

B. Default by Lessor

Lessor shall not be in default in the performance of any obligation required to be performed under this Lease unless Lessor has failed to perform such obligation within thirty (30) days after the receipt of written notice of default from Lessee specifying in detail Lessor's failure to perform or within such shorter period of time as may be specified herein. Lessee may terminate this Lease upon Lessor's default of any material obligation upon giving of thirty (30) days written notice of termination. In addition thereto, Lessee shall have such other rights or remedies as may be provided by law. Lessee may not terminate the Lease if (1) Lessor performs and meets the obligation within the thirty (30) day period (or shorter specified period) after notice of default is given, or (2) the obligation cannot reasonably be performed within thirty (30) days after notice of default is given, but Lessor reasonably commences to cure the default within the thirty (30) day period and diligently and in good faith continues to cure the default.

Lessee shall not exercise any of its rights under this

Paragraph, other than its rights to give notice, until Lessee gives notice to any person who has requested in writing notice of Lessor's default, and has specified that person's interest in the Lease. The notice to such person shall be for the same period of time as that to which Lessor is entitled. Such person shall have the right to cure the default within the same period of time, after notice, to which Lessor would be entitled.

If Lessor or such person does not cure the default, Lessee may exercise any of its rights or remedies provided for or permitted in this Lease or pursuant to law, including the right to recover any damages proximately caused by the default.

If Lessee is permitted to cure the default under the terms of this Lease, and elects to do so, then Lessee shall be entitled to reimbursement for all of its costs incurred, as well as to recovery for all damages proximately caused to it because of the default.

10. **LESSOR'S ACCESS:** Lessee agrees to permit the Lessor or Lessor's authorized agents free access to the demised Premises at all reasonable times for the purpose of inspection or for making necessary improvements or repairs.
11. **ALTERATIONS:** Lessee agrees not to make any alterations in or on the demised Premises.
12. **NOTICES:** Notices desired or required to be given by this Lease or by any law now or hereinafter in effect shall be given by enclosing the same in a sealed envelope with postage prepaid, certified or registered mail, return receipt requested, with the United States Postal Service.

Any such notice and the envelope containing the same shall be addressed to the Lessor:

Carol M. Liess
Executive Director
Home for Life Foundation
8939 S. Sepulveda Blvd., Suite 460
Los Angeles, CA 90045

or such other place as may hereinafter be designated in

writing by the Lessor except that Lessor shall at all times maintain a mailing address in California.

The notices and envelopes containing the same shall be addressed to the Lessee:

Los Angeles County Board of Supervisors
Kenneth Hahn Hall of Administration, Room 383
500 West Temple Street
Los Angeles, CA 90012

with a copy to:

Chief Administrative Office
Real Estate Division
222 South Hill Street, 4th Floor
Los Angeles, CA 90012

13. **INSURANCE:**
- A. During the term of Lessee's occupancy, Lessor shall keep the buildings and improvements on the demised Premises insured against loss or damage by fire, lightning, vandalism, malicious mischief, and such perils ordinarily defined as "extended coverage" in an amount not less than 80% of the full insurable replacement value of said buildings and improvements.
 - B. Lessor agrees to indemnify, defend and save Lessee, its agents, officers and employees, from and against all claims, lawsuits or other legal actions, damages, liability, loss, expense, demands, proceedings, judgments and costs (including, but not limited to, attorneys' fees) incurred or sustained by any person (including death at any time resulting therefrom) or damage to property (including loss of use thereof) arising out of, or resulting from, this Agreement, or Lessee's activities on the Premises or other property owned and/or controlled by Lessor, except injury to persons or damage to property the sole cause of which is the negligence of Lessee.
14. **SUCCESSORS:** Each and all of the terms and agreements herein contained shall be binding upon and shall inure to the benefit of the successors in interest of the Lessor, and wherever the

context permits or requires, the successors in interest to the Lessee.

15. **GENERAL PROVISIONS:**

A. Waiver

The waiver by Lessor or Lessee of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition on any subsequent breach of the same or any other term, covenant or condition herein contained.

B. Marginal Headings

The paragraph titles in this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

C. Recordation

Either party may record this Lease at any time without the prior written consent of the other party.

D. Quiet Possession

Upon Lessee paying the rent hereunder Lessee shall have quiet possession of the Premises for the entire term hereof subject to all the provisions in this Lease without hindrance from anyone claiming through Lessor. If any underlying lease terminates for any reason or any mortgage or deed of trust is foreclosed or a conveyance in lieu of foreclosure is made for any reason, so long as Lessor is not in default, this Lease shall nevertheless remain in full force and effect and Lessee at all times shall be entitled to quiet possession and use of the Premises and shall, notwithstanding any subordination, and upon the request of such successor in interest to Lessor, attorn to and become the Lessee of the successor in interest to Lessor.

E. Prior Agreements

This Lease contains all of the agreements of the

parties hereto with respect to any matter covered or mentioned in this Lease and no prior agreements or understanding pertaining to any such matter shall be effective for any purpose. No provision of this Lease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors-in-interest. This lease shall not be effective or binding on any party until fully executed by both parties hereto.

F. Force Majeure

In the event that either party is delayed or hindered from the performance of any act required hereunder by reason of strikes, lock-outs, labor troubles, inability to procure materials not related to the price thereof, failure of power, restrictive governmental laws and regulations, riots, insurrection, war or other reasons of alike nature beyond the control of such party, then performance of such acts shall be excused for the period of the delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

G. Separability

Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and such other provisions shall remain in full force and effect.

H. Cumulative Remedies

No remedy or election hereunder shall be deemed exclusive but shall wherever possible be cumulative with all other remedies at law or in equity.

I. Choice of Law

This Lease shall be governed by the laws of the State of California, exclusive of conflict of law provisions.

J. Warranties or Guarantees

In the event that any of the items required to be maintained and repaired by the Lessor under the provisions of Section 7a herein are protected by warranties or guarantees the lessee shall be entitled to the full benefit of such protection as if it were the original purchase thereof.

K. Interpretation

The language of this Lease shall be construed according to its fair meaning and not strictly for or against Lessor or Lessee.

16. **WARRANTY OF AUTHORITY:**

Each of the undersigned signatories for the Lessor hereby personally covenant, warrant and guarantee that each of them, jointly and severally, have the power and authority to execute this Lease upon the terms and conditions stated herein and each agrees to indemnify and hold harmless the Lessee from all damages, costs, and expenses, which result from a breach of this material representation.

17. **SOLICITATION OF CONSIDERATION:**

It is improper for any County Officer, employee or agent to solicit consideration, in any form, from a Lessor with the implication, suggestion or statement that the Lessor's provision of the consideration may secure more favorable treatment for the Lessor in the award of the lease or that the Lessor's failure to provide such consideration may negatively affect the County's consideration of the Lessor's submission. A Lessor shall not offer or give, either; directly or through an intermediary, consideration, in any form, to a County officer, employee or agent for the purpose of securing favorable treatment with respect to the award of the lease.

A Lessor shall immediately report any attempt by a County office, employee or agent to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at

(213) 974-0914 or (800) 544-6861. Failure to report such solicitation may result in the Lessor's submission being eliminated from consideration.

18. **LIMITATION OF
AUTHORITY**

Only the Board of Supervisors has the authority, by formally, approving and/or executing this Lease, to bind the County to the terms included herein. Lessor understands that no material terms of this Lease may be altered or deleted, nor may any new material terms be added to this Lease, without the express written approval of the Board of Supervisors, either through an amendment to the Lease or by other formal Board action.

No County officer, employee, agent, or independent contractor has any authority to alter, add or delete the material terms of this Lease; and Lessor may not rely upon any representations to the contrary.

This limitation of authority applies to all material terms of the Lease including, without limitation, any monetary ceiling established for tenant improvements or other project costs of Lessor which are subject to reimbursement by County.

IN WITNESS WHEREOF, pursuant to Chapter 2.08 of the Los Angeles County Code this Agreement has been executed on behalf of the County of Los Angeles and Lessor by the undersigned parties, on the ____ day of ____, 2002.

LESSOR:

Homes for Life Foundation
a California Non-Profit Corporation

By _____
Carol M. Liess
Executive Director

ATTEST:

VIOLET VARONA-LUKENS
Executive Officer-Clerk
of the Board of Supervisors

LESSEE:

COUNTY OF LOS ANGELES

By _____
Deputy

By _____
DAVID E. JANSSEN
Chief Administrative Officer

APPROVED AS TO FORM:

LLOYD W. PELLMAN
County Counsel

By _____
Deputy: Francis E. Scott

SHK:hd
(hflf lease.wpd)
(11/1/02 / 11:15 a.m.)

Exhibit "A"

MEMORANDUM OF COMMENCEMENT DATE

This Agreement is dated this ____ day of _____, 20__, for reference purposes only, by and between Lessor, _____ and Lessee, County of Los Angeles.

1. The parties hereto have entered into a Lease dated as of _____, 20__ (the "Lease") for the leasing by Lessor to Lessee the building located at _____ in _____, County of Los Angeles, State of California (the Premises").

2. Lessor and Lessee hereby confirm the following:

(a) That Lessee has accepted possession of the Premises; and

(b) That the term of the Lease commenced _____, 20__.

IN WITNESS WHEREOF, Lessor and Lessee have respectfully signed this Agreement.

Lessor:

By
Name

Lessee:

COUNTY OF LOS ANGELES

By _____
Chuck W. West, CCIM, Esq.
Director of Real Estate

Exhibit “B”

SCHEDULE OF RENTAL PAYMENTS

ATTACHMENT III
to the Board Letter

BOARD OF
SUPERVISORS
OFFICIAL COPY

78R 352M (11/83)

COUNTY OF LOS ANGELES
REQUEST FOR APPROPRIATION ADJUSTMENT
DEPARTMENT OF MENTAL HEALTH

DEPT'S. NO. 435

19

AUDITOR-CONTROLLER.

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. WILL YOU PLEASE REPORT AS TO ACCOUNTING AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF ADMINISTRATIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

4-VOTES

SOURCES:

Department of Mental Health
Revenue-Los Angeles Homeless Service (LAHSA)
A01-MH-20500-902A
\$153,000

Department of Mental Health
Intrafund transfer-DCFS
A01-MH-20500-6800
\$162,000

Department of Mental Health
State-EPSDT
A01-MH-20500-8771
\$76,000

Department of Mental Health
State Realignment Sales Tax
A01-MH-20500-8899
\$48,000

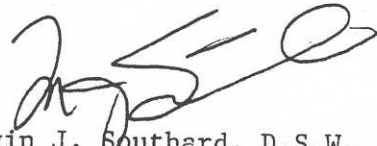
Department of Mental Health
FFP Medi-Cal
A01-MH-20500-9025
\$85,000

USES:

Department of Mental Health
Services & Supplies
A01-MH-20500-2000
\$432,000

Department of Mental Health
Salaries & Employee Benefits
A01-MH-20500-1000
\$92,000

This adjustment is requested to increase the appropriation by \$524,000. This appropriation increase will provide spending authority for the implementation of the Transitional Housing Program with the Homes for Life Foundation for FY 2002/03. There is no net County cost increase.


Marvin J. Southard, D.S.W.
Director of Mental Health

CHIEF ADMINISTRATIVE OFFICER'S REPORT

REFERRED TO THE CHIEF
ADMINISTRATIVE OFFICER FOR —

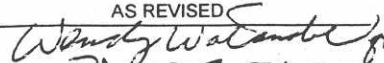
ACTION

RECOMMENDATION

APPROVED AS REQUESTED

AS REVISED

NOV. 1, 2002


DAVID E. JANSSEN
CHIEF ADMINISTRATIVE OFFICER

AUDITOR-CONTROLLER

BY

APPROVED (AS REVISED):
BOARD OF SUPERVISORS

19

NO.

85


OCT. 31 2002

BY

DEPUTY COUNTY CLERK



**HOUSING AUTHORITY
County of Los Angeles**

Administrative Office

2 Coral Circle • Monterey Park, CA 91755
323.890.7001 • www.lacdc.org

**ATTACHMENT IV
to the Board Letter**

Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Carlos Jackson
Executive Director

April 17, 2001

Honorable Board of Commissioners
Housing Authority of the County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

68

APR 17 2001

Violet Varona Lukens
VIOLET VARONA-LUKENS
EXECUTIVE OFFICER

Dear Commissioners and Supervisors:

**APPROVE A LOAN AGREEMENT BETWEEN
THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES AND
HOMES FOR LIFE FOUNDATION
AND**

**APPROVE AN AGREEMENT BETWEEN LOS ANGELES COUNTY
DEPARTMENT OF MENTAL HEALTH AND THE LOS ANGELES HOMELESS
SERVICES AUTHORITY TO ACCEPT SUPPORTIVE HOUSING PROGRAM
GRANT FUNDS TO OPERATE A TRANSITIONAL HOUSING PROGRAM FOR
FISCAL YEARS 2001-04**

(1, 4, 5)
(3 Vote)

**JOINT RECOMMENDATION WITH DIRECTOR OF THE DEPARTMENT OF
MENTAL HEALTH THAT YOUR BOARD, ACTING AS THE GOVERNING
BODY OF THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES:**

1. Approve a Loan Agreement, submitted in final form, between the Housing Authority of the County of Los Angeles (the Housing Authority) and Homes for Life Foundation, a non-profit corporation, in an amount not to exceed \$2,000,000 in City of Industry Redevelopment Set Aside Funds, comprised of a single Predevelopment Loan in the amount of \$50,000, and no more than 4 site loans, to acquire and rehabilitate up to 4 yet to be determined properties in Service Planning

Area 3 – San Gabriel Valley (SPA 3), as required by the Department of Housing and Urban Development (HUD) for its Supportive Housing Program (SHP) grant, which will create 18 new beds of transitional housing and related spaces for support services and rotating staff, as part of the Transitional Housing Program (THP), to serve young adults/emanipating foster youth with mental disabilities.

2. Authorize the Executive Director of the Housing Authority to execute the attached Loan Agreement that has been approved as to form by County Counsel and will be effective upon Board approval (Attachment A).
3. Authorize the Executive Director of the Housing Authority to approve each property purchase in SPA 3 in accordance with established conditions specified in the Loan Agreement.
4. Authorize the Executive Director to take the necessary actions to implement the Loan Agreement.

JOINT RECOMMENDATION WITH DIRECTOR OF THE DEPARTMENT OF MENTAL HEALTH AND DIRECTOR OF THE DEPARTMENT OF CHILDREN AND FAMILY SERVICES THAT YOUR BOARD, ACTING AS THE GOVERNING BODY OF THE COUNTY OF LOS ANGELES:

1. Approve the attached Agreement between the Department of Mental Health (DMH) and the Los Angeles Homeless Services Authority (LAHSA) (Attachment B) to fund a Transitional Housing Program (THP) using U. S. Department of Housing and Urban Development (HUD) Supportive Housing Program Grant funds, in the amount of \$750,000, for Fiscal Years (FY) 2001-04, to provide an operating subsidy and support services for the project.
2. Delegate authority to the Director of Mental Health to sign and execute the Agreement with LAHSA, which will be effective upon Board approval.

PURPOSE OF RECOMMENDED ACTIONS:

The purpose of the recommended actions is to initiate this transitional housing project, as directed by your Board, by approving and executing the Loan Agreement with Homes for Life Foundation, approving the purchase of no more than 4 properties in SPA 3, and giving the Director of Mental Health the authority

to enter into an Agreement with LAHSA to provide the necessary funding for an operating subsidy and support services.

JUSTIFICATION:

Approval of the Loan Agreement will provide the financing for 18 beds of transitional housing for young adults/emancipating foster youth with mental disabilities. Under the proposed Agreement with LAHSA, DMH will provide an operating subsidy for the housing and supportive services for the target population, with the assistance of the Department of Children and Family Services (DCFS), over a three-year period.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund.

As part of the City of Industry Allocation and Distribution Plan, adopted by your Board in 1998, \$2,000,000 was set aside for the Housing Authority to facilitate a housing and service program for young adults/emancipating foster youth with mental disabilities with other County departments, service providers and the housing development community.

The Housing Authority will provide a single Predevelopment Loan in the amount of \$50,000; and no more than 4 Site Loans to Homes for Life Foundation for acquisition and rehabilitation. The sum of all loans shall not exceed \$2,000,000 in City of Industry Set Aside Funds. The Predevelopment Loan will convert and be added to the first executed Site Promissory Note secured by a Deed of Trust. The 4 Site Loans will be at 3% simple interest for a 30-year term, evidenced by no more than 4 Site Promissory Notes and secured by Deeds of Trust. The loans will be repaid to the extent that there are residual receipts from the operation of the project.

The total development costs, including acquisition, are estimated at \$2,000,000 including a developer fee of \$110,000. The Housing Authority is providing the only secured financing for this project. A Financial Analysis is attached (Attachment C).

DMH will provide an operating subsidy in the amount of \$750,000 from the SHP grant that will be used to pay tenant rents and provide for support services over a 3-year period. DMH will also provide departmental funds for staffing, and mental health services billable through Early Periodic, Screening, Diagnosis and Treatment Program, as part of the operations and supportive service programming in forthcoming fiscal years.

Further, DCFS will provide Independent Living Program (ILP) funds in the amount of \$473,757 (\$157,919 per year for 3 years). These expenditures will be 100% federally funded with ILP revenue; there will be no County cost.

DCFS will also provide in-kind services for independent living training which will include staff time for outreach, screening and referral assessment as part of the supportive service component of the project.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

Upon aging out of foster care, many young adults have limited resources and skills to live independently and often end up homeless. Though DCFS has a well-developed system of training and provides some supportive housing for young adults/emancipating foster youth, they are not adequately equipped to handle the special needs of young adults/emancipating foster youth with mental disabilities. This transitional housing project will assist in filling a critical gap in the continuum of care and services for this population.

The project will consist of 18 beds of transitional housing reserved for very low-income young adults/emancipating foster youth with mental disabilities. Very low-income is defined as households with incomes at or below 50 percent of the median household income for the Los Angeles-Long Beach Metropolitan Statistical Area (MSA) adjusted for household size, as determined by HUD. Income qualifying will occur at initial lease-up. The project will be required to maintain affordable rents for 30 years consistent with the term of the loan.

Homes for Life Foundation, a mental health service provider and housing developer, will acquire, rehabilitate and manage the properties. Further, DMH will begin contract negotiations for a service agreement with Homes For Life Foundation to provide case management and mental health services. The agreement will be filed with the Board at a later date. DCFS will provide independent living training. Through a comprehensive program of mental health and support services, the residents will be prepared to reach three milestones of independence: obtain housing; increase skills for economic self sufficiency; and achieve greater self-determination, including decision-making and behavioral skills to avoid future homelessness.

A collaborative effort between the Housing Authority, DMH and DCFS was established to pool special needs funding sources. The Housing Authority is providing \$2,000,000 in loans to Homes for Life, the non-profit developer, for acquisition and predevelopment. DMH will execute an Agreement with LAHSA for acceptance of the SHP grant funds, to be effective upon Board approval;

April 17, 2001

Page 5

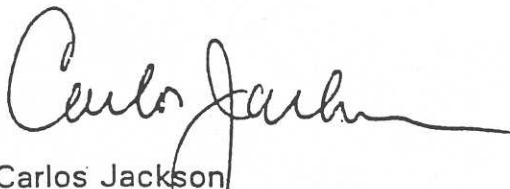
and to remain in effect for FY's 2001-04 (LAHSA has a Grant Agreement with HUD under Project No. CA 16B800 005). DMH will use the SHP grant to provide rent subsidies for 18 beds of transitional housing, and will provide mental health services through a contract with Homes for Life Foundation for a 3-year period. DCFS will contribute ILP funds and in-kind services through their established emancipating foster youth program.

The attached Loan Agreement and LAHSA Agreement have been reviewed and approved as to form by the appropriate County Counsels and will be effective upon Board approval and execution.

IMPACT ON CURRENT SERVICES:

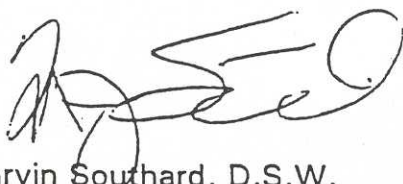
The requested action will initiate the project as mandated by your Board, to provide transitional housing and mental health and supportive services to young adults/emancipating foster youth with mental disabilities in Los Angeles County.

Respectfully submitted,



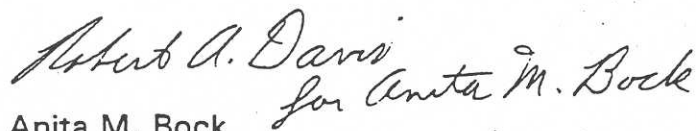
Carlos Jackson
Executive Director

Respectfully submitted,



Marvin Southard, D.S.W.
Director, Department of Mental Health

Respectfully submitted,



Anita M. Bock
Director, Department of Children and Family Services

Attachments (3)



A MEETING OF THE
HEALTH DEPUTIES CONCERNING
MATTERS CALENDARED FOR BOARD APPROVAL

DATE: Wednesday, **November 6, 2002**
TIME: 3:00 p.m.
PLACE: Kenneth Hahn Hall of Administration, **Room 739**

Members of the Public may address the Board Deputies on any agenda item by submitting a written request prior to the meeting. Three (3) minutes are allowed for each item.

AGENDA

1. Call to Order
2. **Department of Mental Health** Agenda Item(s) Requesting Board of Supervisors Action as Follows:
 - a) **Approval of Authorization to Implement Transitional Housing Program with Homes for Life Foundation and Approval of Request for Appropriation Adjustment for Fiscal Year 2002-2003**
3. Department of Health Services Agenda Item(s) Requesting Board of Supervisors Action as Follows:
 - a) Approval of Notice of Cooperative Agreement No. R18/CCR921000-02 for the HIV/Sexually Transmitted Disease Counseling and Testing Study
 - b) Approval of Amendment No. 2 to Cooperative Agreement No. U52/CCU900455-2 from the Federal Centers for Disease Control and Prevention for Tuberculosis Services
 - c) Approval of Application for California Healthcare for Indigents Program (CHIP) Funding for Fiscal Year 2002-03
4. Separate Matters – Claims Board (Closed Session)
 - a) Conference with Legal Counsel Vivion, Barbara vs. County of Los Angeles
5. Matters not Posted (To be Briefly Discussed and Placed on the Agenda for a Future Meeting)

6. Public Comments

7. Adjournment